

NORTHERN STATES FINANCIAL CORPORATION

	CPP Disbursement Date 02/20/2009	RSSD (Holding Company) 1210589	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$532	\$463	-12.9%		
Loans	\$385	\$323	-16.1%		
Construction & development	\$30	\$29	-4.3%		
Closed-end 1-4 family residential	\$41	\$36	-13.3%		
Home equity	\$23	\$21	-9.1%		
Credit card	\$0	\$0			
Other consumer	\$2	\$1	-32.0%		
Commercial & Industrial	\$16	\$11	-31.6%		
Commercial real estate	\$224	\$184	-17.7%		
Unused commitments	\$37	\$32	-11.8%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$83	\$80	-3.5%		
Asset-backed securities	\$0	\$0			
Other securities	\$9	\$7	-19.6%		
Cash & balances due	\$24	\$38	59.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$487	\$422	-13.4%		
Deposits	\$449	\$399	-11.0%		
Total other borrowings	\$36	\$19	-45.2%		
FHLB advances	\$0	\$0			
Equity					
Equity capital at quarter end	\$44	\$41	-7.8%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	8.3%	8.2%	--		
Tier 1 risk based capital ratio	11.8%	12.6%	--		
Total risk based capital ratio	13.1%	13.9%	--		
Return on equity ¹	-29.2%	-13.9%	--		
Return on assets ¹	-2.6%	-1.2%	--		
Net interest margin ¹	4.0%	4.3%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	67.2%	95.2%	--		
Loss provision to net charge-offs (qtr)	423.9%	228.6%	--		
Net charge-offs to average loans and leases ¹	1.2%	0.6%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	13.8%	16.1%	0.1%	0.0%	--
Closed-end 1-4 family residential	6.5%	3.5%	0.0%	0.7%	--
Home equity	6.5%	3.6%	0.5%	0.7%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	1.8%	1.1%	0.3%	0.2%	--
Commercial & Industrial	3.2%	5.0%	1.4%	0.0%	--
Commercial real estate	4.4%	4.8%	0.1%	0.1%	--
Total loans	7.1%	6.2%	0.3%	0.2%	--